

SUPPORT

January 26, 2010

***STATE RETIREMENT SYSTEMS
STAFF REPORT ON LEGISLATION AFFECTING
THE STATE EMPLOYEES' RETIREMENT SYSTEM***

96th General Assembly

SENATE BILL 2474 – Senator Bomke

PROPOSAL

Senate Bill 2474 amends the State Employees' Article of the Pension Code to allow members to establish service credit for up to 24 furlough days, used to address a State fiscal emergency, without making contributions.

COMMENT

Senate Bill 2474 allows SERS members to establish service credit for up to 24 voluntary or involuntary furlough days that result from a State fiscal emergency. The furlough days must occur between July 1, 2009 and June 30, 2011, and the member must apply in writing to the System prior to July 1, 2012. The member is not required to make any contributions to establish this service credit.

For SERS members, an identical provision was offered for furlough days that occurred between December 1, 2001 and January 1, 2003.

RECOMMENDATION

It is the recommendation of staff that the system support Senate Bill 2474.